

Military Division

Analyst: Burns

Historical Summary

OPERATING BUDGET	FY 2005 Total App	FY 2005 Actual	FY 2006 Approp	FY 2007 Request	FY 2007 Gov Rec
BY PROGRAM					
Military Management	2,720,500	2,462,000	2,702,800	3,146,300	2,850,900
Federal/State Agreements	16,151,400	18,294,700	18,074,900	27,203,300	26,822,700
Homeland Security	23,503,400	17,547,600	23,596,300	24,570,600	24,365,800
Total:	42,375,300	38,304,300	44,374,000	54,920,200	54,039,400
BY FUND CATEGORY					
General	4,951,100	4,971,500	5,167,100	6,980,700	5,665,800
Dedicated	254,100	292,800	391,000	278,000	1,144,000
Federal	37,170,100	33,040,000	38,815,900	47,661,500	47,229,600
Total:	42,375,300	38,304,300	44,374,000	54,920,200	54,039,400
Percent Change:		(9.6%)	15.8%	23.8%	21.8%
BY OBJECT OF EXPENDITURE					
Personnel Costs	13,357,900	11,754,600	14,262,700	15,415,100	14,822,200
Operating Expenditures	14,258,000	13,152,600	15,326,900	23,905,800	23,870,800
Capital Outlay	0	2,237,800	0	224,000	181,100
Trustee/Benefit	14,759,400	11,159,300	14,784,400	15,375,300	15,165,300
Total:	42,375,300	38,304,300	44,374,000	54,920,200	54,039,400
Full-Time Positions (FTP)	205.80	205.80	205.80	251.80	251.80

Division Description

The Military Division is headed by the Adjutant General, who is appointed by and reports to the Governor. The division serves as the state's National Guard unit. Descriptions of the Military Division's three programs are as follows:

MILITARY MANAGEMENT - The purpose of the Military Management program is to provide effective and responsive overall management to ensure mission capability and to meet the goals of the state and federal governments, as established by law.

FEDERAL/STATE AGREEMENTS - This program is a joint venture between the state and the National Guard Bureau. Service contracts are negotiated annually in which the state provides services to the National Guard and is reimbursed by the federal government for 75 to 100 percent of costs. The purpose of Federal/State Cooperative Agreements is to operate and maintain the Gowen Field complexes, the twenty-five state armories, desert training range facilities, and nine maintenance shops located throughout the state.

HOMELAND SECURITY - Exec. Order No. 2003-11 and 2004 Idaho Session Laws 58 (amending Idaho Code §39-7101 et seq. and Idaho Code §46-1001) created the Bureau of Homeland Security which supersedes and combines the functions of the Bureau of Disaster Services and the Bureau of Hazardous Materials.

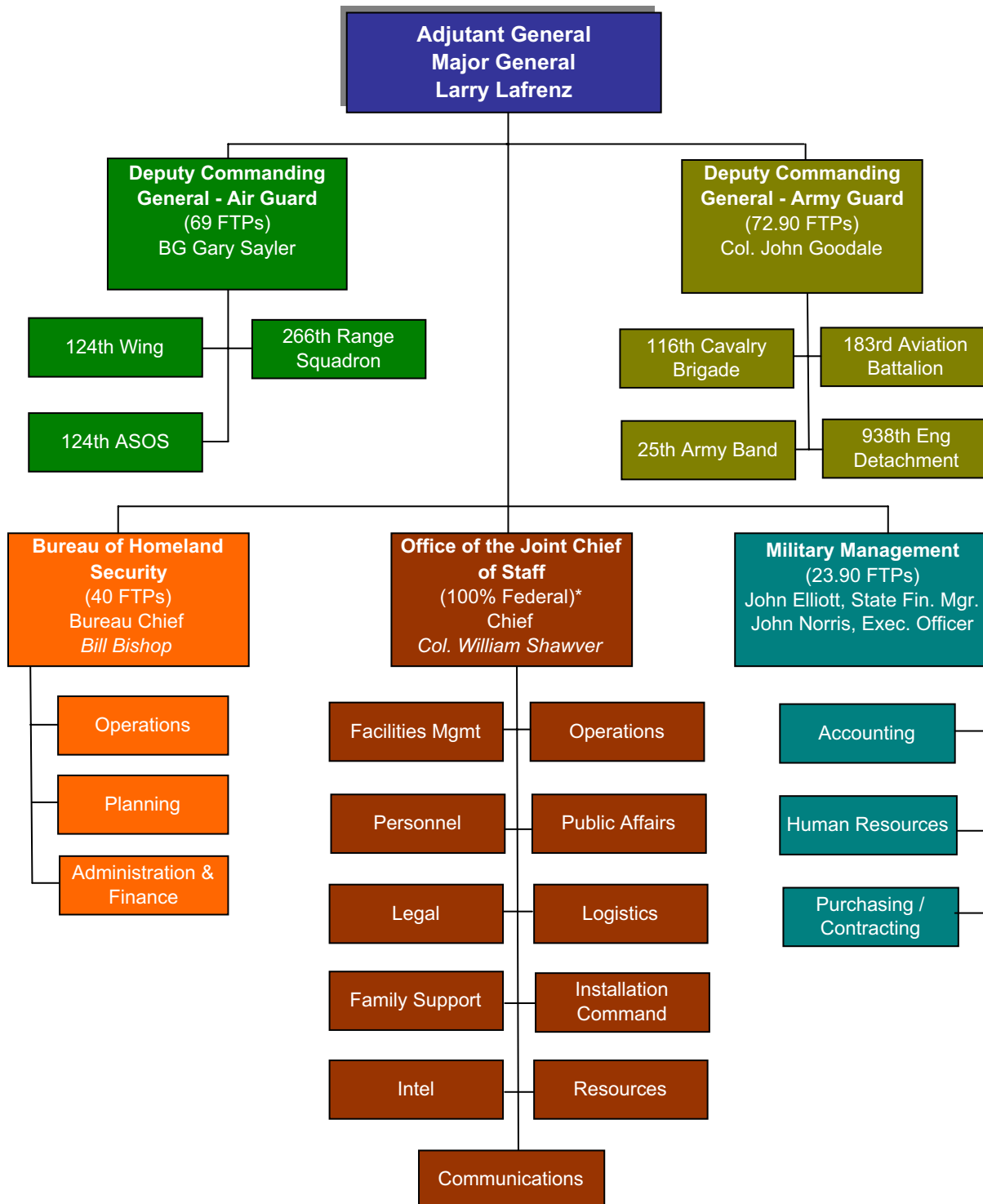
* Disaster Services - The Bureau of Disaster Services coordinated the state and federal response to major emergencies and disasters, in support of local jurisdictions. The bureau established and maintained a state and local emergency management structure, and helped to mitigate, prepare, respond, and recover from the effects of all hazards.

* Hazardous Materials - The primary purpose of the Bureau of Hazardous Materials was to: (1) implement the federal Emergency Planning and Community Right to Know Act; (2) facilitate planning and coordination at state and local levels in order to provide for the prompt containment of releases of hazardous substances; and (3) provide accurate, current information and training through public education outreach activities.

Military Division Agency Profile

Analyst: Burns

Organizational Chart



* The Office of the Joint Chief of Staff is unique to state government in that it operates as a separate federal entity, yet remains under the command of the state adjutant general. There is **no** federal spending authority from the state for the Office of the Joint Chief of Staff.

Military Division

Agency Profile

Analyst: Burns

Sources of Funds

	<u>Percent of Total</u>	<u>FY 2005 Actual</u>	<u>FY 2006 Estimate</u>	<u>FY 2007 Request</u>
1. General Fund (0001-00)	13%	\$4,971,500	\$5,315,600	\$6,980,700
The General Fund consists of, "moneys received into the treasury and not specially appropriated to any other fund." The fund sources are individual income tax, corporate income tax, sales tax, cigarette tax, beer tax, wine tax, liquor surcharge, kilowatt hour tax, mine license tax, Treasurer's interest on investments of certain idle state funds, court fees and fines, insurance premium tax, sale of alcoholic beverage licenses, unclaimed property, articles of incorporation and uniform commercial code filing fees, estate and transfer tax, and other miscellaneous sources from various agency receipts.				
2. Indirect Cost Recovery (0125-00)	0%	\$99,700	\$159,500	\$162,100
Funds collected from various federal grants and contracts based on a federally approved indirect cost rate.				
3. HS Emergency Response (0100-00)	0%	\$101,000	\$0	\$0
The Hazardous Substance Emergency Response Fund consists of legislative appropriations of General Fund moneys that are transferred into this account, and moneys recovered from hazardous substance spillers to offset deficiency warrants issued for cleanup costs.				
4. Miscellaneous Revenue (0349-00)	0%	\$92,100	\$138,000	\$115,900
Miscellaneous income from armory facility rentals, surplus property sales, cost reimbursement for full-time federal employees housed in the state armories, and other occasional and miscellaneous sources.				
5. Federal Grant (0348-00)	86%	\$33,040,000	\$52,991,900	\$47,661,500
(1) This fund consists of money received from the federal government as reimbursement for the operations and maintenance of Gowen Field facilities and Armories, environmental costs, security, training, firefighting, family support, communication charges, recruiting expenses, and armory intrusion detection maintenance costs. The general fund is allotted in the proper amount to match the federal funds per the funding agreements. Federal funds are supplied via 15 cooperative funding agreements between the State of Idaho and the National Guard Bureau.				
(2) Federal grants from the Department of Homeland Security and Department of Transportation provide federal funding to the Bureau of Homeland Security. The grants are used for the procurements of specialized terrorist response equipment and for the planning, training and exercises for terrorist events. Also the funds are used to train state and local communities to mitigate, respond and recover from disasters and to plan and train for hazardous material emergencies and incident responses.				
Total	100%	\$38,304,300	\$58,605,000	\$54,920,200

Military Division

Analyst: Burns

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2006 Original Appropriation	205.80	5,167,100	44,374,000	205.80	5,167,100	44,374,000
HB 395 One-time 1% Salary Increase	0.00	30,300	117,100	0.00	30,300	117,100
1. NGA Grant Award	0.00	0	24,200	0.00	0	24,200
Omnibus CEC Supplemental	0.00	0	0	0.00	36,500	139,200
HazMat Deficiency Warrants	0.00	87,700	87,700	0.00	87,700	87,700
Other Approp Adjustments	0.00	(87,700)	(87,700)	0.00	(87,700)	(87,700)
FY 2006 Total Appropriation	205.80	5,197,400	44,515,300	205.80	5,233,900	44,654,500
Non-Cognizable Funds and Transfers	44.00	0	14,089,700	44.00	0	14,089,700
FY 2006 Estimated Expenditures	249.80	5,197,400	58,605,000	249.80	5,233,900	58,744,200
Removal of One-Time Expenditures	(44.00)	(30,300)	(14,688,400)	(44.00)	(30,300)	(14,688,400)
Base Adjustments	0.00	0	0	0.00	0	0
FY 2007 Base	205.80	5,167,100	43,916,600	205.80	5,203,600	44,055,800
Benefit Costs	0.00	52,600	206,400	0.00	(57,900)	(225,300)
Inflationary Adjustments	0.00	28,200	566,600	0.00	28,200	566,600
Replacement Items	0.00	234,000	274,000	0.00	0	231,100
Statewide Cost Allocation	0.00	31,400	31,400	0.00	31,400	31,400
Military Compensation	0.00	152,300	564,600	0.00	87,200	322,800
FY 2007 Program Maintenance	205.80	5,665,600	45,559,600	205.80	5,292,500	44,982,400
1. Tuition Assistance	0.00	310,000	310,000	0.00	100,000	100,000
2. Military Museum	0.00	60,000	60,000	0.00	0	40,000
3. Facility Maintenance & Repairs	6.00	250,800	6,919,300	6.00	250,800	6,919,300
4. Twin Falls Armory	0.00	225,000	450,000	0.00	0	450,000
5. HVAC Upgrade	0.00	350,000	700,000	0.00	0	700,000
6. Armory Sustainment Study	0.00	52,500	105,000	0.00	0	105,000
7. Personnel Upgrades	0.00	29,300	58,600	0.00	0	0
8. Pre-Disaster Mitigation Grant	0.00	22,500	278,500	0.00	22,500	278,500
9. State Communications Center	0.00	15,000	15,000	0.00	0	0
10. Air Security Positions	40.00	0	464,200	40.00	0	464,200
FY 2007 Total	251.80	6,980,700	54,920,200	251.80	5,665,800	54,039,400
Change from Original Appropriation	46.00	1,813,600	10,546,200	46.00	498,700	9,665,400
% Change from Original Appropriation		35.1%	23.8%		9.7%	21.8%

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2006 Original Appropriation	205.80	5,167,100	391,000	38,815,900	44,374,000
HB 395 One-time 1% Salary Increase					
Reflects a one-time 1% Change in Employee Compensation (CEC) increase.					
Agency Request	0.00	30,300	500	86,300	117,100
Governor's Recommendation	0.00	30,300	500	86,300	117,100
1. NGA Grant Award					
The National Governors Association awarded a grant to Idaho along with four other states to participate in a Public Safety Wireless Communications Interoperability Policy Academy. The purpose of the academy is to help states develop an interoperability plan that improves emergency response communications.					
Agency Request	0.00	0	24,200	0	24,200
Governor's Recommendation	0.00	0	24,200	0	24,200
Omnibus CEC Supplemental					
Agency Request	0.00	0	0	0	0
The Governor's FY 2007 recommendation is a 3% ongoing increase in employee compensation (CEC), based on merit, to commence in FY 2006 with the January 29 pay period. This will allow agencies to fund employee compensation increases for ten pay periods prior to the end of the current fiscal year. Funding for the remaining 16 pay periods is provided in the FY 2007 CEC.					
Governor's Recommendation	0.00	36,500	600	102,100	139,200
HazMat Deficiency Warrants					
This is one-time funding to pay deficiency warrants issued in response to costs associated with the cleanup of hazardous materials incidents throughout the state.					
Agency Request	0.00	87,700	0	0	87,700
Governor's Recommendation	0.00	87,700	0	0	87,700
Other Approp Adjustments					
Transfers General Fund monies to the Hazardous Substance Emergency Response Fund where actual costs were incurred.					
Agency Request	0.00	(87,700)	0	0	(87,700)
Governor's Recommendation	0.00	(87,700)	0	0	(87,700)
FY 2006 Total Appropriation					
Agency Request	205.80	5,197,400	415,700	38,902,200	44,515,300
Governor's Recommendation	205.80	5,233,900	416,300	39,004,300	44,654,500
Non-Cognizable Funds and Transfers					
Includes one-time noncognizable federal spending authority of \$6.0 million due to growth in army operations and other individual agreements; \$893,700 for 40 full-time security personnel at Gowen Field; \$296,000 for four full-time positions to address recent changes with the Army Federal/State Agreement for the Construction and Facilities Management Office; and \$6.9 million for grants received through the Federal Office of Domestic Preparedness.					
Agency Request	44.00	0	0	14,089,700	14,089,700
Governor's Recommendation	44.00	0	0	14,089,700	14,089,700
FY 2006 Estimated Expenditures					
Agency Request	249.80	5,197,400	415,700	52,991,900	58,605,000
Governor's Recommendation	249.80	5,233,900	416,300	53,094,000	58,744,200

Military Division

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Removal of One-Time Expenditures					
Removes funding for HB395, the 27th pay period, and other one-time items.					
Agency Request	(44.00)	(30,300)	(145,000)	(14,513,100)	(14,688,400)
Governor's Recommendation	(44.00)	(30,300)	(145,000)	(14,513,100)	(14,688,400)
Base Adjustments					
Reflects an accounting adjustment by moving spending authority of \$75,000 from the Armory Revenue Fund to the Miscellaneous Revenue Fund.					
Agency Request	0.00	0	0	0	0
Governor's Recommendation	0.00	0	0	0	0
FY 2007 Base					
Agency Request	205.80	5,167,100	270,700	38,478,800	43,916,600
Governor's Recommendation	205.80	5,203,600	271,300	38,580,900	44,055,800
Benefit Costs					
Includes the employer-paid portion of estimated changes in employee benefit costs. The two biggest factors are health insurance rates and retirement rates. Health insurance is projected to increase by 6.1% or \$436 per position. Retirement rates are scheduled to increase by 5.9% from 10.39% to 11% of salary for regular employees and by 5.7% from 10.73% to 11.34% of salary for police and firefighters. Other benefit changes include minor adjustments in unemployment insurance rates and workers compensation rates.					
Agency Request	0.00	52,600	1,000	152,800	206,400
<i>Removes the PERSI rate increase and changes benefit costs to reflect a 3.5% or \$250 per FTP increase in health insurance costs. However, the change in health insurance providers, from Blue Shield to Blue Cross, has created a one-time opportunity to use unexpended reserves from the previous contract. This decision unit provides for a health insurance premium reduction equal to two month's premiums for both the employer and employee. Finally, a life insurance holiday is included equal to seven month's premium for the employer's share only.</i>					
Governor's Recommendation	0.00	(57,900)	(1,000)	(166,400)	(225,300)
Inflationary Adjustments					
Includes a general inflationary increase of 1.9% in operating expenditures and trustee/benefit payments.					
Agency Request	0.00	28,200	3,000	535,400	566,600
Governor's Recommendation	0.00	28,200	3,000	535,400	566,600
Replacement Items					
MILITARY MANAGEMENT: Includes \$89,800 from the General Fund to replace computer equipment and upgrade software.					
FEDERAL/STATE AGREEMENTS: Includes \$80,000 (\$40,000 General Fund) to replace two pickup trucks.					
BUREAU OF HOMELAND SECURITY: Includes \$54,200 (General Fund) to replace computer equipment and \$50,000 (General Fund) to replace two Ford Broncos.					
Agency Request	0.00	234,000	0	40,000	274,000
<i>The Governor has recommended that certain replacement items requested from the General Fund be funded from the Economic Recovery Reserve Fund.</i>					
Governor's Recommendation	0.00	0	201,100	30,000	231,100
Statewide Cost Allocation					
Includes adjustments in State Controller, State Treasurer, and Risk Management fees.					
Agency Request	0.00	31,400	0	0	31,400
Governor's Recommendation	0.00	31,400	0	0	31,400

Military Division

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Military Compensation

Provides \$464,200 (\$123,500 General Fund) for a 4% federal COLA, and \$100,400 (\$28,800 General Fund) for step increases, as authorized by Idaho Code, §59-1603(9), which states in part that: "The adjutant general shall determine schedules of salary and compensation which are, to the extent possible, comparable to the schedules used for federal civil service employees of the national guard and those employees serving in military status."

Agency Request	0.00	152,300	3,300	409,000	564,600
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The Governor has recommended \$222,400 (\$58,400 General Fund) for the remaining 16 pay periods to annualize the 3% ongoing change in employee compensation recommended in the omnibus CEC supplemental. It also includes \$100,400 (\$28,800 General Fund) for step increases needed to keep state employees commensurate with their federal coworkers. It does not provide for any federal cost of living adjustment, since the three percent Change in Employee Compensation supplemental more than offsets the COLA requirement.

Governor's Recommendation	0.00	87,200	2,100	233,500	322,800
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FY 2007 Program Maintenance

Agency Request	205.80	5,665,600	278,000	39,616,000	45,559,600
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Governor's Recommendation	205.80	5,292,500	476,500	39,213,400	44,982,400
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1. Tuition Assistance

Military Management

Funding is requested to enhance the State Tuition Assistance Program. Of the amount requested, \$75,000 reinstates the program to pre-2003 levels and an additional \$235,000 is requested to fully support the Idaho Air National Guard. If approved, total program costs would be \$435,000. [Ongoing]

Agency Request	0.00	310,000	0	0	310,000
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Governor's Recommendation	0.00	100,000	0	0	100,000
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2. Military Museum

Military Management

The state constitution requires the adjutant general to preserve historical military records and memorabilia. The museum is a non-profit organization established to comply with the requirement of the state constitution and to provide an historical military museum for the public. The museum is presently operating with part-time volunteers and there is a need to hire services of a part-time curator to obtain, identify, and preserve those items of value to the history of Idaho soldiers. Of the amount requested, \$20,000 would be of an ongoing nature and \$40,000 would be used for one-time repairs and maintenance.

Agency Request	0.00	60,000	0	0	60,000
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The Governor has recommended additional resources for maintaining the Military Historical Museum, with funding provided from the Economic Recovery Reserve Fund.

Governor's Recommendation	0.00	0	40,000	0	40,000
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3. Facility Maintenance & Repairs

Federal/State Agreements

According to the Military Division, existing resources have not been adequate to keep pace with needed preventative maintenance and repairs on the training facilities at Gowen Field and at the state armories. The majority of the increase in operating funds is 100% federally reimbursed. However, \$250,800 is needed from the General Fund for federal match. The federal match can be either 50/50% or 75/25% which is determined by the ownership and funding support for the training facilities as required by federal regulation. Six new civil engineering positions are also requested at a cost of \$316,000 which is all federally reimbursed. [Ongoing]

Agency Request	6.00	250,800	0	6,668,500	6,919,300
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Governor's Recommendation	6.00	250,800	0	6,668,500	6,919,300
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Military Division

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
4. Twin Falls Armory				Federal/State Agreements	
Funding is requested to replace the damaged flat roof on the Twin Falls Armory with a pitched standing seam metal roof to preserve the building structure. The armory in Twin Falls was built in 1961, and the roof at this armory has deteriorated and has recently incurred structural damage due to weather. The roof presently leaks, even though several attempts have been made to patch or repair it. [One-Time]					
Agency Request	0.00	225,000	0	225,000	450,000
<i>The Governor has recommended additional resources for the Twin Falls Armory using funding provided from the Economic Recovery Reserve Fund.</i>					
Governor's Recommendation	0.00	0	225,000	225,000	450,000
5. HVAC Upgrade				Federal/State Agreements	
The Idaho National Guard Headquarters Building at Gowen Field was built in 1973 and still operates on the original HVAC system. The controls for this system are so antiquated that the Military Division is unable to get HVAC technicians that know how to work on them. This system has been patched several times over the years to try and keep up with the movement of offices to accommodate changes in the organization. The remodels have involved moving walls and changing configuration of the floor plan. The original network of heating, ventilation and air conditioning ducts and thermostats no longer function adequately. Funding is requested to replace this system. [One-Time]					
Agency Request	0.00	350,000	0	350,000	700,000
<i>The Governor has recommended additional resources for the HVAC upgrade using funding provided from the Economic Recovery Reserve Fund.</i>					
Governor's Recommendation	0.00	0	350,000	350,000	700,000
6. Armory Sustainment Study				Federal/State Agreements	
Funding is requested to contract with an engineering consultant to conduct a sustainment evaluation of all armories throughout the state. The goal is to determine what is required to bring Idaho's armories to meet the future mission of the Idaho National Guard. [One-Time]					
Agency Request	0.00	52,500	0	52,500	105,000
<i>The Governor has recommended additional resources for an armory sustainment study using funding provided from the Economic Recovery Reserve Fund.</i>					
Governor's Recommendation	0.00	0	52,500	52,500	105,000
7. Personnel Upgrades				Bureau of Homeland Security	
When positions became vacant at the Bureau of Homeland Security, the jobs were analyzed and reclassified to a higher grade level because the scope of the jobs had changed. This results in several new hires being at a grade higher than their peers performing the same level of work. Funding is requested to correct this disparity. [Ongoing]					
Agency Request	0.00	29,300	0	29,300	58,600
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

Military Division

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
8. Pre-Disaster Mitigation Grant					
Bureau of Homeland Security					
The Office of Domestic Preparedness (ODP) has awarded the Bureau of Homeland Security a \$256,000 grant for the pre-disaster mitigation program. This grant is funded 75% federal and 25% state and local match. The majority of the match requirement (\$63,000/year) will be met by the county or local governments. However, \$22,500 state match is also required.					
The pre-disaster mitigation program emphasizes a "bricks and mortar" approach to reducing losses from disasters. It provides cost-share funding to cities and counties for planning and implementing mitigation projects and provides technical assistance activities by the state. This grant would provide funding to implement such projects as buying or moving homes at risk from flooding; strengthening structures against snow, wind, and earthquake damage; constructing floodwater retention basins; and improving fire-resistance of homes built in the wild land interface.					
Agency Request	0.00	22,500	0	256,000	278,500
Governor's Recommendation	0.00	22,500	0	256,000	278,500
9. State Communications Center					
Bureau of Homeland Security					
The Bureau relies upon the State Communications Center located within the Emergency Medical Services Bureau to provide paging, radio communications, emergency conferencing, incident documentation and response database services. The Bureau has supported them with a \$30,000 interagency transfer annually for the past nine years. The level of service required has increased dramatically over those nine years with the addition of meth lab calls, biological threats, and concerns requiring regional response team support. Cost for this service has risen commensurately. Funding is requested to cover the added cost.					
Agency Request	0.00	15,000	0	0	15,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
10. Air Security Positions					
Provides a one-time increase in federal spending authority to hire security personnel at Gowen Field for the first three months of fiscal year 2007. Prior to January 1, 2006, these positions were funded from federal sources outside of the Federal/State Agreement.					
Agency Request	40.00	0	0	464,200	464,200
Governor's Recommendation	40.00	0	0	464,200	464,200
FY 2007 Total					
Agency Request	251.80	6,980,700	278,000	47,661,500	54,920,200
Governor's Recommendation	251.80	5,665,800	1,144,000	47,229,600	54,039,400
Agency Request					
Change from Original App	46.00	1,813,600	(113,000)	8,845,600	10,546,200
% Change from Original App	22.4%	35.1%	(28.9%)	22.8%	23.8%
Governor's Recommendation					
Change from Original App	46.00	498,700	753,000	8,413,700	9,665,400
% Change from Original App	22.4%	9.7%	192.6%	21.7%	21.8%